

A bill for an act

relating to weights and measures; modifying requirements for petroleum storage tanks; extending an order exempting number 1 diesel fuel from biodiesel requirements; regulating sale of biodiesel on a net volume basis; amending Minnesota Statutes 2008, sections 239.752; 239.79, subdivision 4, by adding a subdivision.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2008, section 239.752, is amended to read:

**239.752 STORAGE TANK MARKING AND CAPACITY; RETAIL LOCATION.**

Subdivision 1. **Identification tag required.** A person responsible for the product shall securely affix a metal or plastic identification tag or tank collar on the fill pipe of a petroleum product storage tank at a business where petroleum products are sold, offered for sale, or dispensed at retail into the storage tanks of motor vehicles. A bulk storage facility operator shall securely affix a metal or plastic identification tag on the fill pipe of each storage tank at the distributor's bulk storage facility. The identification tag must be constructed and printed according to subdivision 2 and installed according to subdivision 3. The identification tag must be printed with the appropriate product identification according to subdivision 4, 5, or 6, and include the gallon capacity for each storage tank. This section does not apply to storage tanks at petroleum refineries or terminals.

Subd. 2. **Identification tag; construction, printing.** The identification tag required in subdivision 1 must be ~~constructed of one~~ at least 3-1/2 inch inches by ~~3-1/2 inch piece~~ of inches and constructed from aluminum ~~or~~ stainless steel, or plastic. All surfaces of the tag or tank collar must be coated with a permanent enamel paint or powder coating. The coating must be light blue for gasoline ~~and~~ white for alcohol products, ~~and~~ dark green for

petroleum distillate products. Lettering must be at least three-eighths of one inch high, and printed on the tag with permanent enamel paint or powder coating. Lettering must be black for gasoline and alcohol products and white for petroleum distillate products.

Subd. 3. **Identification tag; installation.** The identification tag required in subdivision 1 must be securely affixed to a fill pipe by means of an adjustable steel band clamp or nonreleasable nylon ties. The display surface of the tag must be positioned so that the product information can be easily read by a person filling the storage tank.

Subd. 4. **Product identification on storage tank; gasoline, oxygenated gasoline.** (a) An identification tag or tank collar placed on a storage tank containing gasoline or oxygenated gasoline must be marked with the word "GASOLINE" and with the correct octane number and the appropriate product name of the fuel stored in the tank.

(b) The product name must be selected from the following:

(1) "REGULAR" for oxygenated gasoline of less than 88 octane;

(2) "MID-GRADE" for oxygenated gasoline of at least 88 octane, but less than 91 octane;

(3) "PREMIUM" for oxygenated gasoline of at least 91 octane;

(4) "NON-OXY PREM" for nonoxygenated gasoline of at least 91 octane;

(5) "AVIATION" for gasoline used solely as a fuel for aircraft;

(6) "RACING" for a special racing gasoline intended to be sold for use in off-road motor vehicles; or

(7) "SPECIAL" for gasoline blended with mineral oil or other additives and intended to be sold for use in boats, chainsaws, snowmobiles, or off-road equipment.

Subd. 5. **Product identification on storage tank; alcohol, alcohol-based ~~motor~~ fuel.** (a) An identification tag or tank collar placed on a storage tank containing unblended alcohol or a predominantly alcohol-based motor fuel must be marked with the word "ALCOHOL" and with the appropriate product name of the fuel stored in the tank.

(b) The product name must be selected from the following:

(1) "ETHANOL" for denatured ethanol, as defined in section 296A.01;

(2) "METHANOL" for methanol;

(3) "E85" for an ethanol-gasoline blend, as defined in section 296A.01; or

(4) "M85" for a methanol-gasoline blend, as defined in section 296A.01.

Subd. 6. **Product information on storage tank; petroleum distillates.** Storage tanks containing diesel fuel, heating fuel, kerosene, or other petroleum distillate must be marked with the word "DISTILLATE" and with the correct product grade and appropriate tax status selected from the following:

(1) "#1 DIESEL" "UNDYED" for #1 diesel fuel for which the motor fuel excise tax has been paid;

(2) "#1" "DYED" for #1 heating fuel or #1 diesel fuel intended to be sold for use in off-road vehicles and equipment;

(3) "#2 DIESEL" "UNDYED" for #2 diesel fuel for which the motor fuel excise tax has been paid;

(4) "#2" "DYED" for #2 heating fuel or #2 diesel fuel intended to be sold for use in off-road vehicles and equipment;

(5) "DIESEL" "PREMIUM" "UNDYED" for premium diesel fuel for which the motor fuel excise tax has been paid;

(6) "DIESEL" "PREMIUM" "DYED" for premium diesel fuel intended to be sold off-road;

(7) "DIESEL" B-xx for diesel fuel containing more than the amount mandated in Minnesota;

(8) "BIODIESEL" for fuel containing more than 99 percent biodiesel;

~~(7)~~ (9) "KEROSENE" "UNDYED" for kerosene for which the federal motor fuel excise tax has been paid;

~~(8)~~ (10) "KEROSENE" "DYED" for kerosene intended to be sold for use in off-road vehicles, heating equipment, and other off-road equipment; or

~~(9)~~ (11) "JET/TURBINE" for jet fuel or turbine fuel.

Sec. 2. Minnesota Statutes 2008, section 239.79, subdivision 4, is amended to read:

Subd. 4. **Sale of certain petroleum products on gross volume basis.** A person responsible for the products listed in this subdivision shall transfer, ship, distribute, offer for distribution, sell, or offer to sell the products by volume. Volumetric measurement of the product must not be temperature compensated, or adjusted by any other factor. This subdivision applies to gasoline, number one and number two diesel fuel oils, number one and number two heating fuel oils, kerosene, denatured ethanol, and biodiesel. This subdivision does not apply to the measurement of ~~petroleum~~ products transferred, sold, or traded between refineries, between refineries and terminals, or between terminals.

Sec. 3. Minnesota Statutes 2008, section 239.79, is amended by adding a subdivision to read:

Subd. 5. **Sale of biodiesel on a net volume basis.** When biodiesel is transferred, sold, or traded between refineries, between refineries and terminals, or between terminals on a temperature-compensated basis, the director shall use the method outlined in Code of

4.1 Federal Regulations, title 40, subpart M, Renewable Fuel Standard 80.1426(f)(8)(ii)(A),  
4.2 for determining the net quantity of biodiesel transferred in cases of dispute.

4.3       Sec. 4. **EXTENSION OF COMMISSIONER'S ORDER.**

4.4       The order by the commissioner of commerce exempting number 1 diesel fuel from  
4.5 the biodiesel content requirements under Minnesota Statutes, section 239.77, subdivision  
4.6 2, paragraph (a), is extended until March 31, 2012, for the months of October, November,  
4.7 December, January, February, and March.